Next 2 Page(s) In Document Exempt

T CONFIDENTIALE T

4. YUGOSLAVIA: Soviet attack against Germany expected--US Ambassador Allen has gained the impression from recent talks with Marshal Tito, Foreign Minister Kardelj, and other Yugoslav officials that the Yugoslav high command has convinced itself that the "next Cominform attack" is more likely to be against West Germany than against Yugoslavia. According to Allen, the Yugoslav officials believe the Kremlin would make German operations appear to be "unification measures" instituted by the Germans themselves, thereby avoiding a clear-cut case of aggression against an independent country. The Yugoslavs think operations in Germany could begin at any moment but the timing probably would depend on developments in the Far East. Allen voices his suspicion that because of Tito's and Kardelj's insistence that aggression means an attack against an "independent country" and Tito's expressed belief that a four-power political settlement of the German question should precede German rearmament, the Yugoslavs may be building up a position to justify their neutrality if Germany becomes a 'second Korea'' and fighting is limited to Germany. Allen believes the Yugoslavs are prepared to join the fighting if it spreads, whether Yugoslavia itself is attacked or not.

C/A /S

The US Air Attache in Belgrade reports that a representative of the Yugoslav Foreign Office recently stated that an attack on Yugoslavia is not likely this Spring. The Yugoslav said further that the next outbreak would probably take place between East and West Germany and that the Russians "still remain opportunists" and without a time-table.

5. ITALY: Resignations among Communist leaders—US Embassy Rome reports that the discontent which has been brewing for some time within the Italian Communist Party

CIA/S

TORFIBER PALE T

has finally boiled over in high party circles. Cucchi and Magnani, two of the most important Party leaders in the Emilia region, where the Party has the largest single regional membership, have broken with the Party; Magnani delivered a speech in which he committed the "heresy" of clearly putting the interests of the Communist movement in Italy above the state interests of the Soviet Union. The Embassy believes it is premature to evaluate fully the repercussions of this action, stating it is not yet clear whether the two men represent a large organized group nationally or even in Emilia.